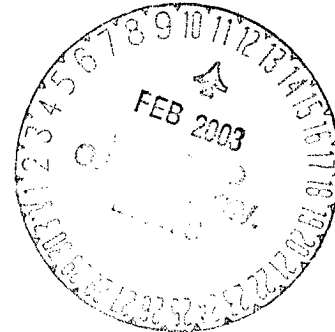


MERRION

OIL & GAS

February 10, 2003

Mr. Frank Chavez
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410



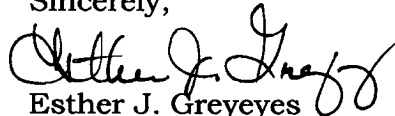
Dear Frank:

Oil was transferred from the following location to hot oil:

<u>Date</u>	<u>From Well Location</u>	<u>Bbls Transferred</u>	<u>To Well Location</u>
1-16-03	Canyon Largo Unit 357 Lease: SF-078875 P-29-25N-06W	30-039-23386 ⁵⁰ ✓	Canyon Largo Unit 343 Lease: SF-078875 K-29-25N-06W

Transporter was Merrion Oil & Gas Corp.

Sincerely,


Esther J. Greeyes
Drlg & Prod Tech

Attachment - Run Ticket

XC: Files
Earleen Sullivan

Mexxon oil - Gas

ACCT. NO. _____ COMPANY _____
RUN TICKET NO. 18
DIST. NO. _____ DATE 4-6-03
OPERATOR _____

LEASE NAME Mexxon oil + Gas
LEASE NO. 357
CU 357

WELL NO.'S	1ST MEAS.	FT.	INCHES	TEMP.	BBL'S.
357		9	7		192.00
TANK NO. 64210	2ND MEAS.	7	1		142.00
TANK SIZE 400	GRAVITY			TOTAL	50.00
	OBSERVED	TEMP.	TRUE	PRICE	
B. S. & WATER 10%	OFF ← SEAL NO.'S → ON			AMOUNT	
	526797	03211			

THIEFING	BEFORE	AFTER	CALCULATIONS
FT. - IN.			50 BBLs sold to CU
B. S. & WATER			343 Rig work
REMARKS			

1ST MEAS. DATE 4-6-03 AM GAUGER P.B.H.
TIME 4:16:03 A.M. WELL OWNER'S WITNESS [Signature]
P.M.

2ND MEAS. DATE 4-6-03 GAUGER P.B.H.
TIME 11:16:03 A.M. WELL OWNER'S WITNESS [Signature]
P.M.

This ticket covers all claims for allowance. The oil represented by this ticket was received and run as property of